

AGREEMENT

THIS AGREEMENT is made and entered into as of this ___ day of November 1997, by and between Service America Corp. Hereinafter referred to as the "Employer" and the Hotel Employees and Restaurant Employees Union Local 355, AFL-CIO, hereinafter referred to as the "Union".

WITNESSETH

That for the purpose of mutual understanding and in order that a harmonious relationship may exist between the Employer and the employees in the bargaining unit hereinafter defined and, to the end that continuous and efficient service may be rendered by both parties and, for the mutual benefit of both, it is here agreed that:

ARTICLE 1. RECOGNITION

The Employer recognizes the Union as the exclusive collective bargaining representative for the purpose of collective bargaining with respect to pay, hours and other conditions of employment, for employees included in the bargaining unit described in NLRB Case NO. 12-RC-8103, working for the Employer in the Miami Beach Convention Center 1901 Convention Center Drive, Miami Beach Florida, with the exception of managerial and supervisor employees, office employees and guards as described in the Act.

ARTICLE 2. MANAGEMENT RIGHTS

The Employer shall retain the full right of management and the direction of its business and operations. The management of the Company and the direction of its working forces and operations include, but are not limited to: the direction of its work forces and operations; the hiring, promoting, demoting and transferring of employees; the suspension, discharge or discipline of employees for just cause; the layoff and recall to work of employees in connection with any reduction or increase in the work forces; the scheduling of work and control and regulation of the use of all equipment and other property of the Company; the right of the Company to subcontract work, introduce new methods, techniques and/or equipment; to determine the work schedule, number of hours to be worked and work assignments of employees; to determine the number of employees it shall employ, the setting of the starting and quitting times; to adopt and enforce reasonable work rules and regulations and to modify or change such rules/regulations from time to time.

The Employer agrees that the exercise of its rights shall not conflict with the provisions of this Agreement. The failure of the Employer to exercise any

functions or rights in particular manner shall not be deemed a waiver of such rights.

ARTICLE 3. NO DISCRIMINATION

The Employer and the Union agree not to discriminate against an individual with respect to hiring, membership, advancement, compensation or other terms and conditions of employment because of such individual's race, color, religion, sex, sexual preference, disability, national origin or age. Further there shall be no discrimination against employees or applicants for employment, by either the Employer or the Union, because of membership or non-membership in the Union.

ARTICLE 4. SHOP STEWARDS - NON-DISCRIMINATION

Section 1. The Employer recognizes the right of the Union to designate Shop Stewards and alternates, a maximum of: one steward and one alternate

The Union will give the Employer written notification of the designation and any change of Shop Steward and alternate, giving their names, classifications and departments.

The authority of the Shop Steward and alternate so designated by the Union shall be limited to and shall not exceed the following duties and activities:

(a) the investigation and presentation of grievances in accordance with the provisions of this collective bargaining agreement.

(b) the transmission of such messages and information to the Employer which shall originate with and are authorized by the Local Union, or its officers, provided such messages and information:

(i) have been reduced to writing, or

(ii) if not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods or any other interference with the Employer's business.

The Shop Steward and alternate have no authority to take strike action or any other action interrupting the Employer's business, except as authorized by official action of the Union.

The Employer recognizes these limitations upon the authority of the Shop Steward and alternate and shall not hold the Union

liable for any unauthorized strike action, slowdown or work stoppage in violation of this Agreement. Nothing herein prevents enforcement of Article 14 of this Labor Agreement.

Section 2. In the interest of carrying out this Agreement for the mutual benefit of both parties, there shall be no bias toward or discrimination or intimidation against the Shop Steward or alternates for performance of their duties in this capacity.

Section 3. The Stop Steward or alternate shall be considered the senior employee in his/her classification and department for all lawful purposes.

Section 4. Stop Stewards shall not perform the above duties on Company time.

ARTICLE 5. HIRING EMPLOYEES

Section 1. The Employer and the Union agree that the employment of competent and capable personnel and continuity of employment of skilled or trained personnel is necessary to the satisfactory operation of the Employer's business and execution of its obligations.

Section 2. The Union shall refer applicants for employment, upon request of the Employer, without discrimination against such applications by reason of or in any way affected by Union membership.

Section 3. The Employer agrees to contact the Union hiring hall when extra employees are needed for banquets, but retains the right to hire whichever employee it wishes. The Employer shall be the sole and final judge as to the suitability of the applicant for the vacancy. Should the hiring hall not provide the necessary staff confirmed within (24) hours of the Employer's request, the Employer shall use any other hiring sources.

The parties agree to meet and discuss a "training session" for banquet department employees. Applicants for this session may be referred from the hiring hall, and the Employer shall qualify such applicants after the completion of the training session. Thereafter, the Union agrees that it will dispatch only those persons so qualified when the Employer calls for referrals.

Section 4. The Employer shall be free to hire employees from sources outside of the Union, and may go to the "open market" for such employees.

Section 5. Repeated failure of the hiring hall to provide referrals in a timely manner shall release the Employer from obligations under this Section.

However, before enforcing this section, the Employer shall provide written notice to the Union, and afford the Union the opportunity to meet, discuss and correct the problem.

ARTICLE 6. HOURS OF WORK, OVERTIME and PAYDAYS

Section 1. The wage rates paid by the Employer to employees are provided in Schedule "A" and are attached hereto and made a part hereof.

Section 2. It is hereby agreed that wages specified in this Agreement shall be regarded as minimum wages.

Section 3. Nothing contained in this Agreement is to be interpreted to prevent the rewarding of meritorious service by individual employees by raising wages in excess of the minimum.

Section 4. All hours worked in excess of forty (40) hours in a workweek shall be paid for at time and one half (1 1/2).

Section 5. The minimum shift for all employees shall be four (4) hours. There shall be no maximum shift.

Section 6. An hourly employee who reports for work at the request of the Employer and who is not put to work shall receive one half of his/her scheduled shift, minimum two (2) hours pay.

Section 7. Employees shall be paid on a weekly basis. The workweek for pay purposes is Thursday through Wednesday.

ARTICLE 7. DISCHARGE

Section 1. The Employer may discharge or discipline an employee only for just cause, and the Employee (if he/she has completed the probationary period) may resort to the grievance and arbitration provisions hereof to protest any such discharge or discipline.

Section 2. The Employer shall continue to use its progressive disciplinary system in matters not requiring immediate discharge.

ARTICLE 8. SENIORITY

Section 1. All new employees shall be considered as probationary employees until they have been in the employ of the Employer for sixty (60) days worked. During this period, he/she may be terminated for any reason. Such termination may not be grieved or arbitrated. At the end of the

probationary period, the new employees shall be entered into the seniority list.

Section 2. Seniority by classification shall begin with the first day of bargaining unit employment. Seniority is intended to provide the maximum work opportunity to seniority qualified employees with respect to layoffs and recalls and selection of other job openings in accordance with this agreement.

Section 3. An employee will lose seniority and the Employer will have no obligation to continue to offer work for the following reasons:

- a. Cannot work due to illness or accident in excess of six (6) months.
- b. Quitting voluntarily
- c. Discharge for just cause
- d. Unexcused failure to work two (2) consecutive shifts as requested, or three (3) scheduled shifts in one (1) month or five (5) scheduled shifts in one (1) quarter.
- e. Not having worked, failure to accept assignments offered or failure to maintain contact and current phone information with the Employer for six (6) consecutive months.

Section 4: **SCHEDULING**

- a. The Employer shall continue its current practice of assigning shifts in the Banquet and Kitchen Departments.
- b. The Employer shall maintain an in-house crew in the banquet department and kitchen department which shall be called first to fill banquet department and kitchen department shifts.
- c. Employees from outside of the bargaining unit may work unfilled shifts, after the in-house crew has been called.
- d. Wine and Beer Stations shall be staffed by any classification. Food show stations shall be staffed by any classification.
- e. Kitchen Department employees may work outside their classification at no reduction in pay.

ARTICLE 9. UNIFORMS and MEALS

Section 1. Employees shall be required to adhere to the Employer's dress code.

Section 2. Meals One (1) wholesome meal shall be furnished all employees for each shift worked at no cost to the employee. Meal periods shall consist of one half (1/2) hour of unpaid time. Employee meals shall be consumed in the employee cafeteria or another designated location.

Section 3. Breaks The company will make reasonable efforts to continue its current practice of giving paid breaks to employees actively at work. Scheduling of any such breaks will be at management's discretion. Any employee who is required to miss a break because of business needs does not have a claim for any additional pay or additional break time.

ARTICLE 10. HOLIDAYS

Section 1. The following days will be recognized as holidays under this Agreement: New Years Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, Christmas Day and one (1) floating holiday to be determined by management annually. Work performed on these stated holidays shall be paid for at double time the regular rate of pay for the number of hours worked.

ARTICLE 11. ELIGIBILITY

Section 1. Eligibility for health and welfare or health insurance benefits shall be an 120 hours average per month over each twelve month period.

Note: The Employer will agree to contribute to the Local 355 H&W Trust Fund, effective 1/1/98 (unless the Union notifies the Employer that it prefers to use the Employer's health plan). Local 355 will supply the Employer with the necessary trust documents for review.

Should the Employer contribute to Local 355's H&W Trust Fund, the Employer's contribution shall be as follows:

1/1/98: \$ per month
7/1/98: \$135.86 per month
7/1/99: \$147.29 per month

ARTICLE 12. GRIEVANCE PROCEDURE

Step 1 The grievance shall first be considered by the employee, the shop steward, and his/her designed supervisor within three business days of the occurrence (Monday through Friday). If the employee's immediate supervisor is not available, it shall be considered by the General Manager or his/her designee. Failing satisfactory adjustment or when the grievance itself concerns the Union, the grievance shall proceed to Step 2.

Step 2. The grievance shall be reduced to writing by the Union and filed with the General Manager or his designee with ten (10) calendar days of the occurrence. The grievance will then be discussed between a representative of the Union and the designated representative of the Company with ten (10) business days.

Step 3. Failing satisfactory agreement In Step 2, the Union (not an individual employee) may file a request for arbitration in writing with the Company. Such request shall be filed within thirty (30) calendar days of the decision in Step 2. The grievance shall then be referred to arbitration for disposition within fifteen (15) business days.

The Company and the Union will attempt to select an arbitrator and, if they are unable to agree, he/she shall be selected from a list supplied by the Federal Mediation and Conciliation Service.

The decision of the arbitrator shall be final and binding upon all parties, including employees concerned, and the fees and expenses of the arbitrator shall be borne equally by the Company and the Union. Each party shall pay its own expenses connected with presenting its case in arbitration. The Arbitrator shall have no authority to alter or amend the provisions of this Agreement.

Section 3. TIME LIMITS Any grievance not presented or appealed at any step within the time limits set forth above shall not be entitled to consideration and shall be deemed settled on the basis of the Company's last answer. In the event the Company fails to respond in accordance with the time specified in a particular step of the grievance procedure, the grievance shall be considered as denied as of the time when the Company should otherwise have responded.

Section 4. DISCIPLINE/DISCHARGE: In any arbitration involving discipline or discharge, the arbitrator shall limit his determination to whether or not the Company had just cause for such discipline or discharge and shall have no authority to alter, amend, modify, set aside or make any changes in any disciplinary action taken by the Company, including discharge of the employee.

ARTICLE 13. NO STRIKE, NO LOCKOUT

Section 1. The Employer agrees that there shall be no lockouts during the term of this Agreement. During the life of this Agreement, neither the Union nor any employees individually or collectively, shall authorize or take part in an unauthorized strike or other interruption of work or any impeding

of production or service. Any employee who violates the provisions of this article may be discharged from the employ of the Employer. The Union agrees that it will not oppose the discharge or discipline of anyone who instructs, leads or induces another employee to take part in any unauthorized strike or work stoppage.

Section 2. In the event of an unauthorized strike, work stoppage, slowdown or picketing, the Union agrees to cooperate with the Employer in bringing the same to an end at the earliest possible time.

ARTICLE 14. SEPARABILITY

The provision of this Agreement are deemed separate and severable so that if any provision is held to be invalid in whole or in part by any court or regulatory agency, all other provisions shall, nevertheless, remain in full force and effect.

ARTICLE 15. COMPLETE AGREEMENT

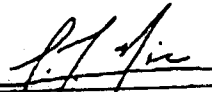
The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to all proper subjects of collective bargaining, and that all such subjects have been discussed and negotiated upon and the agreements contained in this contract were arrived at after the free exercise of such rights and opportunities. Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right and each agrees that the other shall not be obligated to bargain collectively, except by mutual agreement reduced to writing and executed by the parties with respect to any subject or matter referred to or covered in this Agreement or in respect to any subject or matter not specifically referred to or covered by this Agreement even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

ARTICLE 16. TERM OF AGREEMENT

This agreement shall be effective commencing the ___ day of November, 1997 continuing to and including the 30th day of November 2002, and from year to year thereafter, unless written notice of a desire to amend or terminate this Agreement is served by either party upon the other at least sixty (60) days prior to any expiration date.

In WITNESS WHEREOF, the parties have caused this Agreement to be executed this ___ day of November 1997.

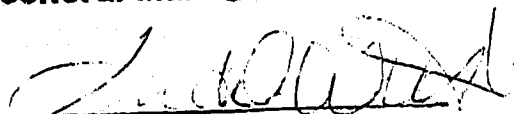
**FOR THE EMPLOYER:
SERVICE AMERICA CORP.**



**C.T. Nice
Market VP**




**David Toy
General Manager**



**Linda G. Wittlin
Employee/Labor Relations Consultant
to Service America Corp.**

**FOR THE UNION:
HERE LOCAL 355**



**Andy Ballash
Secy-Tresurer/Business Manager**



**Jorge Santisteban
President**

SCHEDULE "A"
CLASSIFICATIONS AND WAGES
HOURLY WAGES

<u>Classification</u>	<u>Current</u>	<u>12/1/97</u>	<u>12/1/98</u>	<u>12/1/99</u>	<u>12/1/00</u>	<u>12/1/01</u>
<u>Waitstaff:</u>						
Breakfast 10.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Lunch 10.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Dinner 12.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Reception 12.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
<u>waitstaff when working as Bartenders:</u>						
Cash Bars 6.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Hosted Bars 12.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
<u>Stewards</u> 8.50		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
<u>Captains:</u>						
Breakfast 14.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Lunch 14.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Dinner 18.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Reception 18.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
<u>Kitchen:</u>						
Line Cook 11.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Cook Helper 8.75		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Pantry 8.50		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Kitchen Util. 7.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30
Dishwasher 7.00		+\$.15	+\$.20	+\$.20	+\$.30	+\$.30